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SECURITY INFORMATION  
CENTRAL INTELLIGENCE AGENCY

## INFORMATION REPORT

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Since 11 June 1953, conferences presided by State Secretary Willi Rumpf (SED) were held at the State Secretariat for Coordination of the Entire Financial Economy in an effort to deal with the financial effects of the last government decisions. It appeared that the return of the seized properties most of which had not been capitalized, as well as the credits scheduled to be granted to the trade, could not be covered by the financial plan in force so far. This was to be attained by making available almost the total amount of the 3,500,000,000 eastmarks which had been scheduled for the armament industry. It was planned to cancel all armament projects including the building of barracks installations and to use remaining sums to mitigate the effects of the cuts in the budgets of the individual ministries, some of which had almost been paralysed.

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Comment. The present report quotes an amount of 3,500,000,000 eastmarks as allegedly scheduled for the armament industry. This figure seems incredible, since a total of 1,500,000,000 eastmarks had always been mentioned previously. Even this smaller amount could not be covered by the state budget.

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